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APR 15 2019

PUBLIC SERVICE
COMMISSION

April 12, 2019

Ms. Gwen R. Pinson
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

Re: Case No. 2019-00060 – Demand-Side Management

Dear Ms. Pinson:

Please find enclosed for filing with the Commission in the above-referenced case, an original and four (4) copies of the responses of Shelby Energy Cooperative, Inc. to the Commission Staff's Initial Request for Information to 15 of East Kentucky Power Cooperative, Inc.'s Cooperatives dated March 28, 2019.

Please contact me if you have any questions.

Sincerely,

Jared Routh
Senior Vice President,
Finance & Cooperative Services
Shelby Energy Cooperative, Inc.

JR/mm

Enclosures

cc: Parties of Record

RECEIVED
APR 15 2019
PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

DEMAND-SIDE MANAGEMENT FILING OF 15 OF)
EAST KENTUCKY POWER COOPERATIVE, INC.'S)
COOPERATIVES)

CASE NO.
2019-00060

CERTIFICATE

STATE OF KENTUCKY)
COUNTY OF SHELBY)

Jared Routh, being duly sworn, states that he has supervised the preparation of the response of Shelby Energy Cooperative, Inc. to the Public Service Commission Staff's Initial Request for Information in the Appendix dated March 28, 2019, in the above-referenced case, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

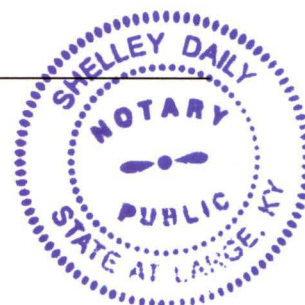
Witness my hand this 10 day of April, 2019

Jared Routh
Jared Routh

Subscribed and sworn before me this 10 day of April, 2019

Shelley Daily ID# 591656
Notary Public

My Commission expires 12/13/2021



**SHELBY ENERGY COOPERATIVE
PSC CASE NO. 2019-00060
DEMAND-SIDE MANAGEMENT
RESPONSE TO INFORMATION REQUEST**


**COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION TO 15 OF EAST
KENTUCKY POWER COOPERATIVE, INC.'S COOPERATIVES
DATED MARCH 28, 2019**

REQUEST 1

RESPONSIBLE PARTY: Jared Routh

Request 1: For each Distribution Cooperative, provide the number of participants in each Demand-Side Management (DSM) program offered by year in each of the past five years.

Response 1: The number of participants for the years 2014, 2015, 2016, 2017, and 2018 are shown in the tables that follow along with other pertinent information for each program. Note that the amounts listed in the column labeled as "Total Cost" represents the cost of Shelby Energy's DSM programs that was reimbursed by East Kentucky Power Cooperative ("EKPC") except for advertising costs. Reimbursed advertising costs are not included on the tables that follow.


Kentucky's Touchstone Energy Cooperatives 

Shelby Energy

January 01, 2014 to December 31, 2014

Measure	# Customers	Rebates + Co-op Admin	Lost Revenue Amount	Total Cost
Commercial	5	\$25,525	\$36,355	\$61,880
C&I Lighting Upgrade	5	\$25,525	\$36,355	\$61,880
Residential	1,226	\$39,243	\$21,891	\$61,135
Button Up - Level I	15	\$8,603	\$1,704	\$10,308
Button Up - Level III	1	\$1,600	\$1,025	\$2,625
CFL	1,000	\$900	\$0	\$900
Heat Pump Retrofit	21	\$18,640	\$15,642	\$34,282
TSE Home (Performance)	9	\$8,550	\$3,070	\$11,620
TSE Home (Prescriptive)	1	\$950	\$450	\$1,400
Direct Load Control	179			
Total	1,231	\$64,769	\$58,246	\$123,015

Notes: Direct Load Control participants are new participants in the year.

Kentucky's Touchstone Energy Cooperatives 

Shelby Energy

January 01, 2015 to December 31, 2015

Measure	# Customers	Rebate + Co-op Admin	Lost Revenue Amount	Total Cost
Commercial	3	\$20,524	\$30,834	\$51,359
C&I Lighting Upgrade	3	\$20,524	\$30,834	\$51,359
Residential	3,377	\$96,030	\$74,395	\$170,424
Appliance Recycling Freezer	14	\$1,853	\$1,260	\$3,113
Appliance Recycling Refrigerator	53	\$7,301	\$5,220	\$12,521
Button Up - Level I	23	\$10,705	\$5,637	\$16,342
Button Up - Level II	1	\$1,290	\$795	\$2,085
CFL	2,000	\$1,800	\$0	\$1,800
Energy Audit - Audit Estimator	24	\$0	\$0	\$0
Energy Audit - Billing Insights Audit	338	\$0	\$0	\$0
Energy Audit - Energy Insights Audit	13	\$0	\$0	\$0
ENERGY STAR Air Source Heat Pump	48	\$15,300	\$19,490	\$34,790
ENERGY STAR Central Air Conditioner	6	\$1,800	\$600	\$2,400
ENERGY STAR Clothes Washer	76	\$5,700	\$3,565	\$9,265
ENERGY STAR Dishwasher	87	\$4,350	\$1,270	\$5,620
ENERGY STAR Freezer	12	\$600	\$165	\$765
ENERGY STAR Heat Pump Water Heater	6	\$1,800	\$1,925	\$3,725
ENERGY STAR MANUFACTURED HOME	1	\$1,900	\$2,400	\$4,300
ENERGY STAR Refrigerator	98	\$9,800	\$1,660	\$11,460
Heat Pump Retrofit	22	\$19,480	\$24,558	\$44,038
LED-Promotional	434	\$0	\$0	\$0
TSE Home (Performance)	4	\$3,800	\$1,800	\$5,600
TSE Home (Prescriptive)	9	\$8,550	\$4,050	\$12,600
Direct Load Control	108			
Total	3,380	\$116,554	\$105,229	\$221,783

Notes: Direct Load Control participants are new participants in the year.

Appliance Recycling Rebate + Co-op Admin includes 3rd party admin costs paid by EKPC.

LED- Promotional and auditing software paid by EKPC to 3rd party

Kentucky's Touchstone Energy Cooperatives 

Shelby Energy

January 01, 2016 to December 31, 2016

Measure	# Customers	Rus Amount (Incentives + Admin)	Lost Revenue Amount	Total Transfer Payment
Commercial	4	\$6,211	\$9,331	\$15,542
C&I Lighting Upgrade	4	\$6,211	\$9,331	\$15,542
Residential	2,735	\$117,499	\$88,956	\$206,455
Appliance Recycling Freezer	20	\$2,496	\$1,620	\$4,116
Appliance Recycling Refrigerator	65	\$8,840	\$6,210	\$15,050
Button Up - Level I	19	\$9,553	\$5,164	\$14,717
Button Up - Level III	1	\$1,600	\$1,025	\$2,625
CARES HEAT PUMP ELIGIBLE	1	\$2,100	\$600	\$2,700
CFL	2,000	\$1,800	\$0	\$1,800
Energy Audit - Billing Insights Audit	28	\$0	\$0	\$0
Energy Audit - Energy Insights Audit	21	\$0	\$0	\$0
ENERGY STAR Air Source Heat Pump	49	\$15,300	\$19,310	\$34,610
ENERGY STAR Central Air Conditioner	11	\$3,600	\$1,200	\$4,800
ENERGY STAR Clothes Washer	95	\$6,600	\$5,520	\$12,120
ENERGY STAR Dishwasher	117	\$5,850	\$1,650	\$7,500
ENERGY STAR Freezer	15	\$600	\$110	\$710
ENERGY STAR Heat Pump Water Heater	12	\$3,000	\$2,310	\$5,310
ENERGY STAR MANUFACTURED HOME	1	\$1,900	\$2,400	\$4,300
ENERGY STAR Refrigerator	118	\$11,700	\$1,960	\$13,660
Heat Pump Retrofit	28	\$27,360	\$32,677	\$60,037
LED-Promotional	57	\$0	\$0	\$0
TSE Home (Performance)	9	\$8,550	\$4,050	\$12,600
TSE Home (Prescriptive)	7	\$6,650	\$3,150	\$9,800
Direct Load Control	61			
Total	2,739	\$123,710	\$98,288	\$221,998

Notes: Direct Load Control participants are new participants in the year.

Appliance Recycling Rebate + Co-op Admin includes 3rd party admin costs paid by EKPC.

LED- Promotional and auditing software paid by EKPC to 3rd party

Kentucky's Touchstone Energy Cooperatives 

Shelby Energy

January 01, 2017 to December 31, 2017

Measure	# Customers	Rebates + Co-op Admin	Lost Revenue Amount	Total Cost
Commercial	9	\$38,359	\$58,650	\$97,009
C&I Lighting Upgrade	8	\$37,759	\$56,685	\$94,444
Compressed Air Audit	1	\$600	\$1,965	\$2,565
Residential	721	\$111,165	\$81,937	\$193,102
Appliance Recycling Freezer	22	\$2,793	\$1,800	\$4,593
Appliance Recycling Refrigerator	70	\$10,657	\$7,470	\$18,127
Button Up - Level I	23	\$10,069	\$5,309	\$15,379
Button Up - Level III	2	\$3,200	\$2,050	\$5,250
CARES HEAT PUMP ELIGIBLE	3	\$4,300	\$1,800	\$6,100
Energy Audit - Billing Insights Audit	7	\$0	\$0	\$0
Energy Audit - Energy Insights Audit	14	\$0	\$0	\$0
ENERGY STAR Air Source Heat Pump	59	\$18,000	\$18,750	\$36,750
ENERGY STAR Central Air Conditioner	20	\$5,700	\$1,800	\$7,500
ENERGY STAR Clothes Washer	89	\$6,075	\$3,025	\$9,100
ENERGY STAR Dishwasher	131	\$6,300	\$1,915	\$8,215
ENERGY STAR Freezer	11	\$550	\$80	\$630
ENERGY STAR Heat Pump Water Heater	7	\$1,800	\$770	\$2,570
ENERGY STAR Refrigerator	143	\$13,000	\$8,145	\$21,145
Heat Pump Retrofit	20	\$22,570	\$26,013	\$48,583
LED-Promotional	9	\$0	\$0	\$0
TSE Home (Performance)	2	\$1,400	\$760	\$2,160
TSE Home (Prescriptive)	5	\$4,750	\$2,250	\$7,000
Direct Load Control	84			
Total	730	\$149,524	\$140,587	\$290,111

Notes: Direct Load Control participants are new participants in the year.
Appliance Recycling Rebate + Co-op Admin includes 3rd party admin costs paid by EKPC.
LED- Promotional and auditing software paid by EKPC to 3rd party

Kentucky's Touchstone Energy Cooperatives 
Shelby Energy

January 01, 2018 to December 31, 2018

Measure	# Customers	Rebates + Co-op Admin	Lost Revenue Amount	Total Cost
Commercial	4	\$14,381	\$21,591	\$35,972
C&I Lighting Upgrade	4	\$14,381	\$21,591	\$35,972
Residential	392	\$62,324	\$41,890	\$104,214
Appliance Recycling Freezer	7	\$825	\$450	\$1,275
Appliance Recycling Refrigerator	42	\$6,283	\$4,050	\$10,333
Button Up - Level I	9	\$5,171	\$2,703	\$7,874
CARES HEAT PUMP ELIGIBLE	5	\$10,500	\$3,000	\$13,500
Energy Audit - Billing Insights Audit	33	\$0	\$0	\$0
Energy Audit - Energy Insights Audit	2	\$0	\$0	\$0
ENERGY STAR Air Source Heat Pump	37	\$11,700	\$13,500	\$25,200
ENERGY STAR Central Air Conditioner	9	\$2,400	\$800	\$3,200
ENERGY STAR Clothes Washer	63	\$3,675	\$1,870	\$5,545
ENERGY STAR Dishwasher	69	\$3,300	\$505	\$3,805
ENERGY STAR Freezer	15	\$750	\$195	\$945
ENERGY STAR Heat Pump Water Heater	7	\$900	\$1,155	\$2,055
ENERGY STAR Refrigerator	70	\$5,800	\$2,930	\$8,730
Heat Pump Retrofit	8	\$7,220	\$8,932	\$16,152
LED-Promotional	8	\$0	\$0	\$0
TSE Home (Performance)	2	\$1,900	\$900	\$2,800
TSE Home (Prescriptive)	2	\$1,900	\$900	\$2,800
Direct Load Control	4	\$0	\$0	\$0
Total	396	\$76,704	\$63,481	\$140,186

Notes: Direct Load Control participants are new participants in the year.

Appliance Recycling Rebate + Co-op Admin includes 3rd party admin costs paid by EKPC.

LED- Promotional and auditing software paid by EKPC to 3rd party

**SHELBY ENERGY COOPERATIVE
PSC CASE NO. 2019-00060
DEMAND-SIDE MANAGEMENT
RESPONSE TO INFORMATION REQUEST**

**COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION TO 15 OF EAST
KENTUCKY POWER COOPERATIVE, INC.'S COOPERATIVES
DATED MARCH 28, 2019**

REQUEST 2

RESPONSIBLE PARTY: Jared Routh

Request 2: For each Distribution Cooperative, provide the total cost for each DSM program by year for the past five years and indicate the amount of the total cost that was reimbursed by East Kentucky Power Cooperative, Inc. (EKPC) and the amount not reimbursed by EKPC.

Response 2: Refer to the tables for 2014, 2015, 2016, 2017, and 2018 included with Shelby Energy's Response to Commission Staff's Initial Request for Information, Item 1. The amounts labeled "Total Cost" represent all DSM costs reimbursed to Shelby Energy by EKPC except for advertising. Advertising costs are excluded entirely from the tables provided in response to Item 1.

Unreimbursed costs include Shelby Energy's share of advertising costs¹ and its share of low energy light bulbs². The calculation of Shelby Energy's total cost of providing each DSM program for the years 2014, 2015, 2016, 2017, and 2018 are shown in the tables that follow.



Shelby Energy
 January 01, 2014 to December 31, 2014

Measure	Reimbursed "Total Cost"	Unreimbursed Costs	Total
Commercial			
C&I Lighting Upgrade	\$61,880		\$61,880
Residential			
Button Up - Level I	\$61,135	\$750	\$61,885
Button Up - Level III	\$10,308		\$10,308
CFL	\$2,625		\$2,625
Heat Pump Retrofit	\$900	\$750	\$1,650
TSE Home (Performance)	\$34,282		\$34,282
TSE Home (Prescriptive)	\$11,620		\$11,620
Direct Load Control	\$1,400		\$1,400
			\$0
Total	\$123,015	\$750	\$123,765
Advertising			
DSM-multiple programs	\$2,664	\$888	\$3,552
	\$2,664	\$888	\$3,552
Total	\$125,678	\$1,638	\$127,317

¹ EKPC reimbursed Shelby Energy 75 percent of DSM advertising costs capped at a fixed limit based on the number of meters serviced by Shelby Energy. The 2014 cap was equal to \$.50 per meter served. The cap was \$.75 per meter during 2015, 2016, and 2017. EKPC discontinued advertising reimbursement after 2017.

Note that advertising costs reimbursable by EKPC include outgoing funds expended by Shelby Energy for television, radio, newspaper, and other advertisements specific to DSM programs. Advertising costs do not include an allocation of the cost of Shelby Energy's social media, Kentucky Living magazine, and other communication outlets where DSM programs are continuously promoted.

² EKPC reimbursed Shelby Energy \$.90 cents per bulb since 2014. Shelby Energy paid the cost that exceeded reimbursement.



Shelby Energy
January 01, 2015 to December 31, 2015

Measure	Reimbursed "Total Cost"	Unreimbursed Costs	Total
Commercial	\$51,359		\$51,359
C&I Lighting Upgrade	\$51,359		\$51,359
Residential	\$170,424	\$1,500	\$171,924
Appliance Recycling Freezer	\$3,113		\$3,113
Appliance Recycling Refrigerator	\$12,521		\$12,521
Button Up - Level I	\$16,342		\$16,342
Button Up - Level II	\$2,085		\$2,085
CFL	\$1,800	\$1,500	\$3,300
Energy Audit - Audit Estimator	\$0		\$0
Energy Audit - Billing Insights Audit	\$0		\$0
Energy Audit - Energy Insights Audit	\$0		\$0
ENERGY STAR Air Source Heat Pump	\$34,790		\$34,790
ENERGY STAR Central Air Conditioner	\$2,400		\$2,400
ENERGY STAR Clothes Washer	\$9,265		\$9,265
ENERGY STAR Dishwasher	\$5,620		\$5,620
ENERGY STAR Freezer	\$765		\$765
ENERGY STAR Heat Pump Water Heater	\$3,725		\$3,725
ENERGY STAR MANUFACTURED HOME	\$4,300		\$4,300
ENERGY STAR Refrigerator	\$11,460		\$11,460
Heat Pump Retrofit	\$44,038		\$44,038
LED-Promotional	\$0		\$0
TSE Home (Performance)	\$5,600		\$5,600
TSE Home (Prescriptive)	\$12,600		\$12,600
Direct Load Control			\$0
Total	\$221,783	\$1,500	\$223,283
Advertising	\$10,254	\$3,418	\$13,673
DSM-multiple programs	\$6,132	\$2,044	\$8,176
Appliance Recycling	\$697	\$232	\$929
TSE Home	\$356	\$119	\$475
Button-up	\$326	\$109	\$435
Energy Star Appliance	\$2,743	\$914	\$3,658
Total	\$232,037	\$4,918	\$236,955



Shelby Energy
January 01, 2016 to December 31, 2016

Measure	Reimbursed "Total Cost"	Unreimbursed Costs	Total
Commercial	\$15,542		\$15,542
C&I Lighting Upgrade	\$15,542		\$15,542
Residential	\$206,455	\$1,400	\$207,855
Appliance Recycling Freezer	\$4,116		\$4,116
Appliance Recycling Refrigerator	\$15,050		\$15,050
Button Up - Level I	\$14,717		\$14,717
Button Up - Level III	\$2,625		\$2,625
Cares Heat Pump Eligible	\$2,700		\$2,700
CFL	\$1,800	\$1,400	\$3,200
Energy Audit - Billing Insights Audit	\$0		\$0
Energy Audit - Energy Insights Audit	\$0		\$0
ENERGY STAR Air Source Heat Pump	\$34,610		\$34,610
ENERGY STAR Central Air	\$4,800		\$4,800
ENERGY STAR Clothes Washer	\$12,120		\$12,120
ENERGY STAR Dishwasher	\$7,500		\$7,500
ENERGY STAR Freezer	\$710		\$710
ENERGY STAR Heat Pump Water	\$5,310		\$5,310
ENERGY STAR MANUFACTURED	\$4,300		\$4,300
ENERGY STAR Refrigerator	\$13,660		\$13,660
Heat Pump Retrofit	\$60,037		\$60,037
LED-Promotional	\$0		\$0
TSE Home (Performance)	\$12,600		\$12,600
TSE Home (Prescriptive)	\$9,800		\$9,800
Direct Load Control			\$0
Total	\$221,997	\$1,400	\$223,397
Advertising	\$8,839	\$2,946	\$11,785
DSM-multiple programs	\$3,938	\$1,313	\$5,251
Appliance Recycling	\$740	\$247	\$987
Billing Insights	\$2,952	\$984	\$3,936
Button-up	\$1,178	\$393	\$1,570
Energy Star Appliance	\$31	\$10	\$41
Total	\$230,836	\$4,346	\$235,182



Shelby Energy

January 01, 2017 to December 31, 2017

Measure	Reimbursed "Total Cost"	Unreimbursed Costs	Total
Commercial	\$97,009		\$97,009
C&I Lighting Upgrade	\$94,444		\$94,444
Compressed Air Audit	\$2,565		\$2,565
Residential	\$193,102		\$193,102
Appliance Recycling Freezer	\$4,593		\$4,593
Appliance Recycling Refrigerator	\$18,127		\$18,127
Button Up - Level I	\$15,379		\$15,379
Button Up - Level III	\$5,250		\$5,250
Cares Heat Pump Eligible	\$6,100		\$6,100
Energy Audit - Billing Insights Audit	\$0		\$0
Energy Audit - Energy Insights Audit	\$0		\$0
ENERGY STAR Air Source Heat Pump	\$36,750		\$36,750
ENERGY STAR Central Air	\$7,500		\$7,500
ENERGY STAR Clothes Washer	\$9,100		\$9,100
ENERGY STAR Dishwasher	\$8,215		\$8,215
ENERGY STAR Freezer	\$630		\$630
ENERGY STAR Heat Pump Water	\$2,570		\$2,570
ENERGY STAR Refrigerator	\$21,145		\$21,145
Heat Pump Retrofit	\$48,583		\$48,583
LED-Promotional	\$0		\$0
TSE Home (Performance)	\$2,160		\$2,160
TSE Home (Prescriptive)	\$7,000		\$7,000
Direct Load Control			\$0
Total	\$290,111		\$290,111
Advertising	\$5,239	\$1,746	\$6,986
DSM-multiple programs	\$3,631	\$1,210	\$4,841
Appliance Recycling	\$409	\$136	\$545
Heat Pump Retrofit	\$409	\$136	\$545
Button-up	\$791	\$264	\$1,054
Total	\$295,350	\$1,746	\$297,097

Kentucky's Touchstone Energy Cooperatives 
 Shelby Energy

January 01, 2018 to December 31, 2018

Measure	Reimbursed "Total Cost"	Unreimbursed Costs	Total
Commercial	\$35,972		\$35,972
C&I Lighting Upgrade	\$35,972		\$35,972
Residential	\$104,214		\$104,214
Appliance Recycling Freezer	\$1,275		\$1,275
Appliance Recycling Refrigerator	\$10,333		\$10,333
Button Up - Level I	\$7,874		\$7,874
Cares Heat Pump Eligible	\$13,500		\$13,500
Energy Audit - Billing Insights Audit	\$0		\$0
Energy Audit - Energy Insights Audit	\$0		\$0
ENERGY STAR Air Source Heat Pump	\$25,200		\$25,200
ENERGY STAR Central Air	\$3,200		\$3,200
ENERGY STAR Clothes Washer	\$5,545		\$5,545
ENERGY STAR Dishwasher	\$3,805		\$3,805
ENERGY STAR Freezer	\$945		\$945
ENERGY STAR Heat Pump Water	\$2,055		\$2,055
ENERGY STAR Refrigerator	\$8,730		\$8,730
Heat Pump Retrofit	\$16,152		\$16,152
LED-Promotional	\$0		\$0
TSE Home (Performance)	\$2,800		\$2,800
TSE Home (Prescriptive)	\$2,800		\$2,800
Direct Load Control	\$0		\$0
Total	\$140,186		\$140,186
Advertising	\$0	\$0	\$0
Total	\$140,186	\$0	\$140,186

In addition to the DSM programs referred to above, Shelby Energy provides an Energy Audit DSM program to residential and small commercial Members. The table below lists the number of energy audits performed during the years 2014 through 2018 and the estimated cost of those audits. EKPC provides no reimbursement for these costs.

	Year				
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Number of Audits	88	90	60	51	28
Estimated Cost	\$ 5,461	\$5,628	\$3,822	\$3,585	\$6,490

**SHELBY ENERGY COOPERATIVE
PSC CASE NO. 2019-00060
DEMAND-SIDE MANAGEMENT
RESPONSE TO INFORMATION REQUEST**

**COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION TO 15 OF EAST
KENTUCKY POWER COOPERATIVE, INC.'S COOPERATIVES
DATED MARCH 28, 2019**

REQUEST 3

RESPONSIBLE PARTY: Jared Routh

Request 3: Provide the names of the members of EKPC's DSM Steering Committee, identify which Distribution Cooperative each member represents, and describe the process used to evaluate the cost-effectiveness and need for existing DSM programs offered by the respective Distribution Cooperatives.

Response 3: Alan Coffey (South Kentucky RECC), Barry Drury (Blue Grass Energy), Caralyne Pennington (Farmers RECC), Charlie Pasley (Clark Energy), Chuck Filiatreau (Salt River Electric), Jared Routh (Shelby Energy), Dan Hitchcock (Inter-County Energy), John May (Licking Valley RECC), Joni Hazelrigg (Fleming-Mason Energy), Natasha Wiley (Big Sandy RECC), Rich Prewitt (Cumberland Valley), Rick Ryan (Nolin RECC), Sandy Painter (Jackson Energy), Jack Scott Lawless (Owen Electric), Tina Preece (Grayson), Ann Beard (Taylor Co. RECC), Scott Drake (EKPC), Joe Settles (EKPC), Hank Smith (EKPC), Tom Castle (EKPC), Bill Blair (EKPC), Sha Phillips (EKPC), and Josh Littrell (EKPC).

The DSM Steering Committee reviews the DSM Potential Study performed by GDS Associates for each EKPC IRP. That study identifies all potential cost-effective DSM programs. John Farley, DSM consultant, also provides additional insight to DSM program cost-effectiveness evaluations. The DSM Steering Committee, based on their field experience working the membership, helps to identify the need for cost-effective programs. Although no formal process exists to determine need for new DSM programs, participation levels of existing programs are reviewed to assist in determining the need to continue cost-effective programs. Both the DSM Steering Committee and the owner-member CEO's expressed a desired to continue cost-effective residential programs that assist their members having high bills due to energy-inefficient housing.

**SHELBY ENERGY COOPERATIVE
PSC CASE NO. 2019-00060
DEMAND-SIDE MANAGEMENT
RESPONSE TO INFORMATION REQUEST**

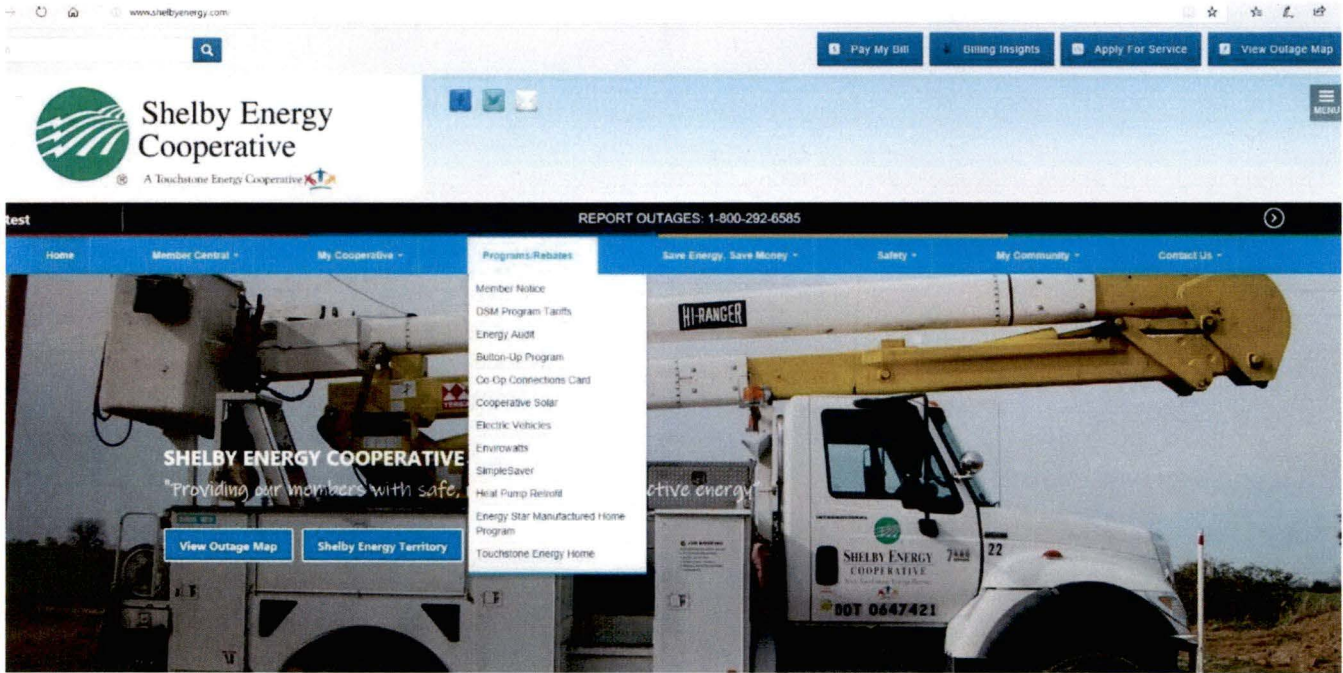
**COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION TO 15 OF EAST
KENTUCKY POWER COOPERATIVE, INC.'S COOPERATIVES
DATED MARCH 28, 2019**

REQUEST 4


RESPONSIBLE PARTY: Jared Routh

Request 4: Provide a copy of all marketing materials and brochures currently used to promote each DSM program that each Distribution Cooperative proposes to continue.


Response 4: Shelby Energy employs several methods of Member communications, including monthly Member newsletters within *Kentucky Living* magazine; periodic e-mails and bill inserts; its website; and social media outlets, including: Facebook and Twitter. Since the Commission's order in case 2019-00060, dated February 27, 2019, Shelby has updated its website, Member handbook, and New Member Information card to reflect revised DSM programs (see pages 2 through 7 of this response). Shelby Energy will continue to promote the revised DSM programs through the resources mentioned above.



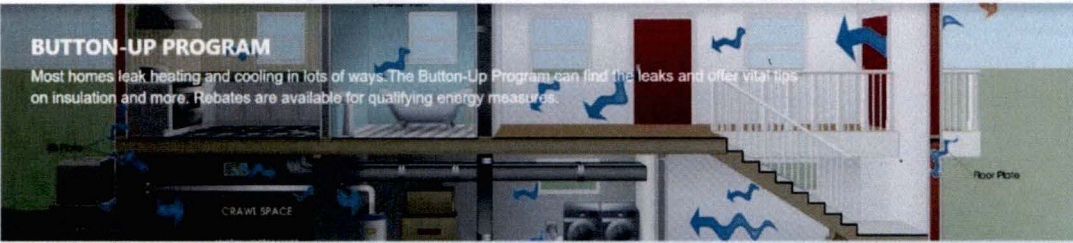
www.shelbyenergy.com/button-program



Shelby Energy Cooperative
A Sustainable Energy Cooperative



BUTTON-UP PROGRAM
Most homes leak heating and cooling in lots of ways. The Button-Up Program can find the leaks and offer vital tips on insulation and more. Rebates are available for qualifying energy measures.



The Button-up Weatherization Program offers an incentive for reducing heat loss of a home.

Eligibility:

- Home must be at least 2 years old
- Primary source of heat must be electricity

The Button-up incentive will promote the reduction of energy usage through air sealing on the part of the retail member. Typical air sealing includes: caulking, improved weather stripping, sealing attic accesses, etc.

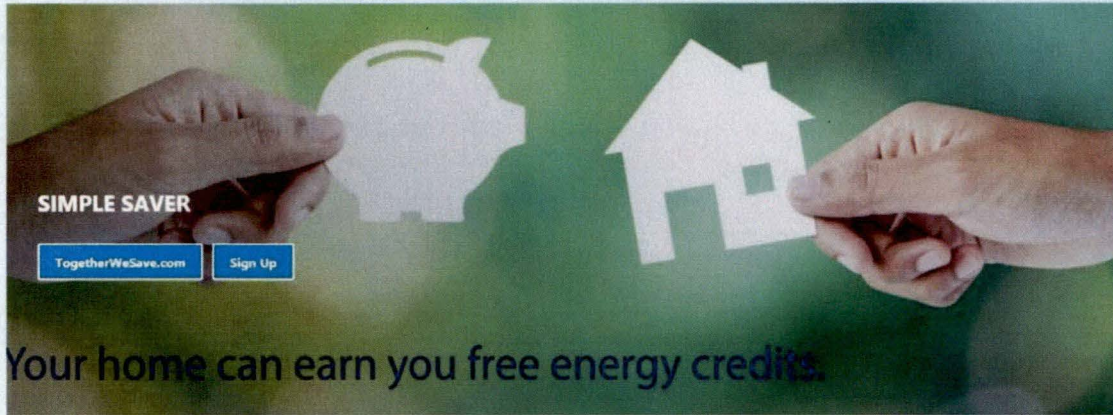
To receive this incentive, a Shelby Energy Cooperative representative must perform a pre-improvement blower door test and a post-improvement blower door test to measure actual Btuh reduced.

The attic insulation portion of the Button Up incentive will promote the reduction of energy usage on the part of the retail member. Heat loss calculation of Btuh reduced will be made by using either the Manual J 8th Edition or through other methods approved by EKPC. Heat loss calculations in Btuh are based on the winter design temperature.

In order to receive an incentive for attic insulation, an air seal must also be completed.

Incentives:

The Button-up Incentive will pay be \$40 per thousand Btuh reduced up to the maximum rebate of \$750.



The Simple Saver Program is another way that Shelby Energy Cooperative is working to keep your electricity affordable and our environment healthy.

The Simple Saver device is installed on your air conditioner or water heater and helps manage your energy usage during peak times of the year (extreme cold or heat).

Why are we willing to pay you?

Because limiting electric usage at peak times during the summer or winter keeps operating costs lower which helps keep our energy affordable for our members. Managing peak load also decreases Kentucky's carbon footprint and gives all of us more time to explore new affordable sources of renewable energy.

SHELBY ENERGY COOPERATIVE (NAME OF UTILITY)	FOR: ALL TERRITORY SERVED
	PSC KY NO. 9
	1 st Revised SHEET NO. 406
	CANCELLING PSC KY NO. 9
	ORIGINAL SHEET NO. 406

DSM
DIRECT LOAD CONTROL PROGRAM- RESIDENTIAL

PURPOSE

The Direct Load Control Program will encourage the reduction in growth of peak demand, enabling Shelby Energy Cooperative to utilize its system more efficiently, manage market purchases, and defer the construction of new generation.

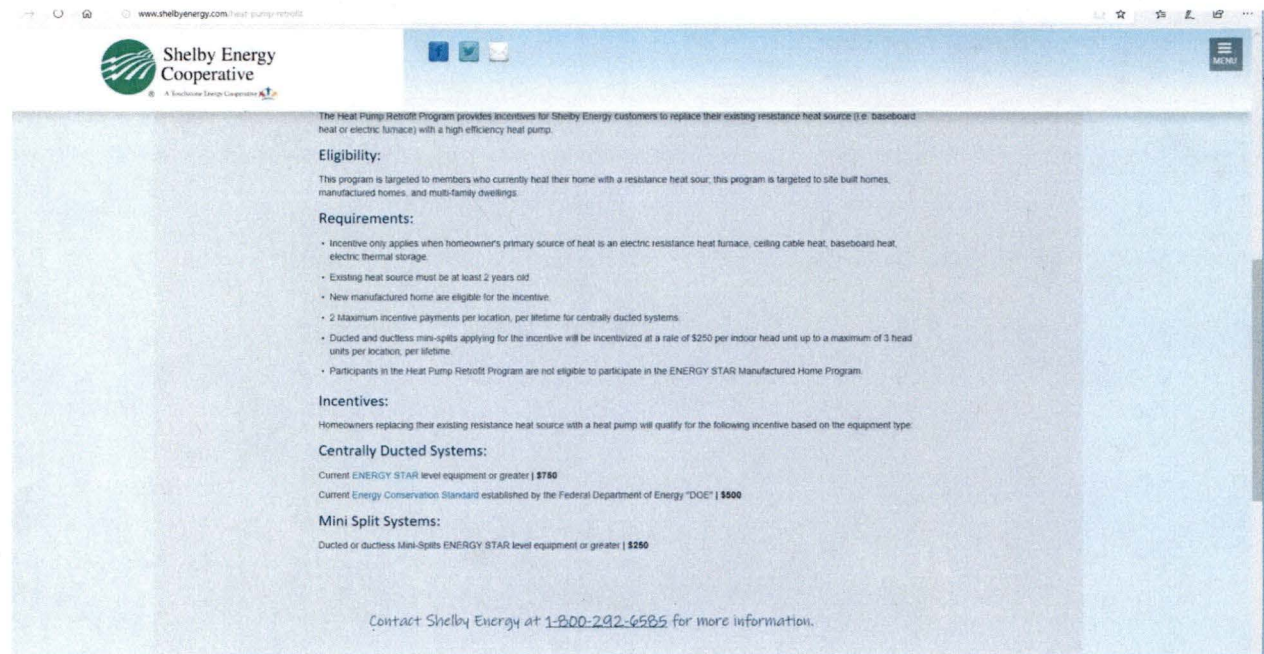
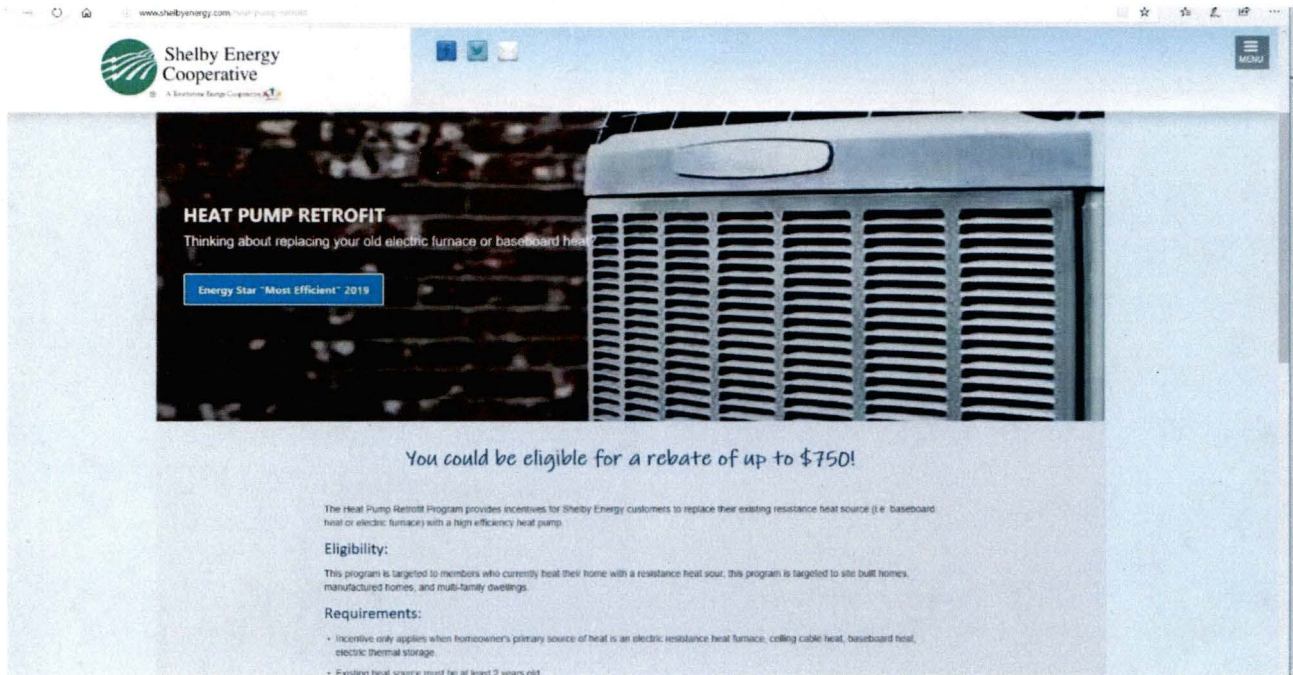
AVAILABILITY

The Direct Load Control Program is available to residential members in the service territories of Shelby Energy Cooperative and will include the control of existing water heaters, existing and new air conditioners and heat pumps.

Availability may be denied where, in the judgment of Shelby Energy Cooperative, installation of the load control equipment is impractical.

ELIGIBILITY

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www.shelbyenergy.com/energy-star-manufactured-home-program



Shelby Energy Cooperative
A Southern Energy Cooperative



ENERGY STAR MANUFACTURED HOME PROGRAM

Shelby Energy Cooperative's Energy Star Manufactured Home Program is designed to ensure that members of Shelby Energy Cooperative purchase an energy efficient manufactured home. Shelby Energy Cooperative will accomplish this by providing the purchaser of a manufactured home with an incentive to purchase and install a new Energy Star certified manufactured home.

Eligibility:

- United States Environmental Protection Agency (EPA) and Systems Building Research Alliance (SBRA) guidelines as an Energy Star Manufactured Home.
- Primary source of heat must be a heat pump
- Home must be all electric.
- Home must be installed by the member on lines served by Shelby Energy Cooperative.
- Participants in the Energy Star Manufactured Home Program are not eligible for participation in the Heat Pump Retrofit Program.

Incentive:

After new home installation and after receiving certification as an Energy Star manufactured home, Shelby Energy Cooperative will tender a \$1,150 incentive payment to their member. The incentive is intended to help cover the cost of upgrading the home from the standard United States Department of Housing and Urban Development (HUD) construction requirements to the SBRA and EPA Energy Star manufactured home construction requirements.

TOUCHSTONE ENERGY HOME
Earn a rebate by building an energy efficient home!

[Pre-Drywall Checklist](#)

In another effort to help our community become more energy efficient, Shelby Energy offers the Touchstone Energy Home Program. A Touchstone Energy® Home is designed and built to be energy efficient and economical, as well as comfortable. Homes are built by a set of standards developed by electric cooperatives and can truly help home owners have lower electric bills.

The Touchstone Energy Home Program provides guidance during the building process to guarantee a home that is much more efficient than the standard Kentucky home. To qualify, the participating single-family home must be located in the Shelby Energy service area and meet the program guidelines following one of the two paths of approval.

Members must contact Shelby Energy prior to beginning a project, and will be subject to periodic inspections throughout the building process. The following is a list of incentives that members can receive if they follow a specific inspection path.

Prescriptive Path:

- Home must meet each efficiency value as prescribed by Shelby Energy Cooperative.
- Home must receive a pre-drywall inspection and complete Shelby Energy Cooperative's pre-drywall checklist.
- Home must receive a final inspection, pass a whole-house air leakage test and duct leakage test.
- Primary source of heat must be an Air-Source Heat Pump greater than or equal to current Energy Star specifications for SEER and HSPF or Geothermal.
- Water Heater must be an electric storage tank water heater that is greater than or equal to Energy and Water conservation standards established by the Federal Department of Energy.

Performance Path Level:

- Home must receive a HERS Index score of no more than 75 (at least 30% more efficient than the KY standard built home).
- Home must receive a pre-drywall inspection and complete Shelby Energy Cooperative's pre-drywall checklist.
- Home must receive a final inspection, pass a whole-house air leakage test and duct leakage test.
- Primary source of heat must be an Air-source Heat Pump greater than or equal to current Energy and Water conservation standards established by the Federal Department of Energy or Geothermal.
- Home must pass current energy code requirements established in the KY Residential Code.
- Water Heater must be an electric storage tank water heater that is greater than or equal to current Energy and Water conservation standards established by the Federal Department of Energy.

Incentive:
Shelby Energy Cooperative will provide an incentive of \$750 to residential members that build their new home to meet the requirements of either the Prescriptive or Performance Paths.

**SHELBY ENERGY COOPERATIVE
PSC CASE NO. 2019-00060
DEMAND-SIDE MANAGEMENT
RESPONSE TO INFORMATION REQUEST**

**COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION TO 15 OF EAST
KENTUCKY POWER COOPERATIVE, INC.'S COOPERATIVES
DATED MARCH 28, 2019**

REQUEST 5

RESPONSIBLE PARTY: Jared Routh

Request 5: For each Distribution Cooperative, provide a list and cost of any DSM programs that each Distribution Cooperative offers that EKPC does not offer, if any.

Response 5: Shelby Energy offers no traditional DSM programs, which provide rebates or incentives to participants, other than the programs listed and discussed in Shelby Energy's Response to Commission Staff's Initial Request for Information, Items 1 and 2.

**SHELBY ENERGY COOPERATIVE
PSC CASE NO. 2019-00060
DEMAND-SIDE MANAGEMENT
RESPONSE TO INFORMATION REQUEST**

**COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION TO 15 OF EAST
KENTUCKY POWER COOPERATIVE, INC.'S COOPERATIVES
DATED MARCH 28, 2019**

REQUEST 6

RESPONSIBLE PARTY: Jared Routh

Request 6: For each Distribution Cooperative, provide a list of any DSM program targeted at low-income customers and provide a description of said programs.

Response 6: Shelby Energy offers the Community Assistance Resources for Energy Savings (“CARES”) low-income program. The CARES tariff is located on Sheet No. 409 through Sheet No. 409.3 of Shelby Energy’s tariffs approved by the PSC on February 5, 2016. Below is the program description provided by EKPC as listed in the EKPC 2019 IRP – Exhibit DSM-5, Page 3 of 11.

CARES Low-Income Weatherization Program

Program Description

EKPC’s Community Assistance Resources for Energy Savings (CARES) Low Income Program provides an incentive to enhance the weatherization and energy efficiency services provided to its residential retail members by the Kentucky Community Action Agency’s (CAA) network of not for profit community action agencies.

EKPC and its owner-members provide an incentive to the CAA implementing the project on behalf of the retail member.

EKPC's program has two primary objectives. First, EKPC's incentive will enable the CAA to install more measures in each home. Second, the additional incentive from EKPC will assist CAA in weatherizing more homes.

Two types of homes are eligible for incentives:

Heat Pump Eligible Homes are single family or multi-family residential dwellings that use electricity for their primary source of heat. The EKPC incentive can be used to upgrade the home to an air source heat pump as well as to install weatherization improvements including insulation, air sealing, duct sealing, and a water heater blanket.

Heat Pump ineligible homes are single family or multi-family residential dwellings that do not use electricity for their primary source of heat, but do cool their home with central or window unit air conditioners. The EKPC incentive can be used to install weatherization improvements.

The maximum incentive per household is \$2,000.

Target Market

The homeowner must be a residential retail member of one of EKPC's 16 owner-members.

The household must qualify for weatherization and energy efficiency services according to the guidelines of the Weatherization Assistance Program administered by the local CAA. Household income cannot exceed the designated poverty guidelines established by the CAA.